# Fee Schedule Guidelines

# Anesthesia

For use with the following code ranges: 00100-00952
& 01112-01999

WSI
North Dakota Workforce
Safety & Insurance

Revised 7/2017

## Notice

The five character numeric codes included in the North Dakota Fee Schedule are obtained from Current Procedural Terminology (CPT®), copyright 2014 by the American Medical Association (AMA). CPT is developed by the AMA as a listing of descriptive terms and five character identifying codes and modifiers for reporting medical services and procedures performed by physicians. The five character alphanumeric codes included in the North Dakota Fee Schedule are obtained from HCPCS Level II, copyright 2014 by Optum360, LLC. HCPCS Level II codes are maintained jointly by The Centers for Medicare and Medicaid Services (CMS), the Blue Cross and Blue Shield Association (BCBSA), and the Health Insurance Association of America (HIAA).

The responsibility for the content of the North Dakota Fee Schedule is with WSI and no endorsement by the AMA is intended or should be implied. The AMA disclaims responsibility for any consequences or liability attributable or related to any use, nonuse or interpretation of information contained in North Dakota Fee Schedules. Fee schedules, relative value units, conversion factors, and/or related components are not assigned by the AMA, and are not part of CPT, and the AMA does not recommend their use. The AMA does not directly or indirectly practice medicine or dispense medical services. The AMA assumes no liability for data contained or not contained herein. Any use of CPT outside of North Dakota Fee Schedule should refer to the most current Current Procedural Terminology, which contains the complete and most current listing of CPT codes and descriptive terms. Applicable FARS/DFARS apply. CPT is a registered trademark of the American Medical Association.

The WSI Fee Schedule is not a guarantee of payment. The fact that WSI assigns a procedure or service a HCPCS code and a payment rate does not imply coverage by WSI, but indicates the maximum allowable payment for approved services. Services represented are subject to provisions of WSI including: compensability, claim payment logic, applicable medical policy, benefit limitations and exclusions, bundling logic, and licensing scope of practice limitations.

Any changes made to Pricing Methodology are subject to the North Dakota Public Hearing process. WSI reserves the right to implement changes to the Payment Parameters, Billing Requirements, and Reimbursement Procedures as needed. WSI incorporates all applicable changes into the relevant Fee Schedule Guideline at the time of implementation, and communicates these changes in Medical Providers News, available on the WSI website at www.workforcesafety.com/news/medical-providers. WSI reviews and updates all Fee Schedule rates on an annual basis, with additional updates made on a quarterly basis when applicable.

For reference purposes, the sections of the North Dakota Administrative Code (NDAC) that regulate medical services are **92-01-02-27 through 92-01-02-46**. The NDAC is accessible at the North Dakota Legislative Council web site:
http://www.state.nd.us/lr/information/acdata/html/92-01.html.

# Table of Contents

## North Dakota Workforce Safety & Insurance

# Anesthesia Pricing Methodology

Anesthesia Pricing Methodology outlines the methods used by Workforce Safety & Insurance (WSI) to determine the final rates represented on the Anesthesia Fee Schedule. The Anesthesia Fee Schedule uses the procedure codes and descriptions as defined by the Healthcare Common Procedure Coding System (HCPCS), their respective payment status indicators, and payment amounts. In accordance with North Dakota Administrative Code 92-01-02-29.2, any provider who renders treatment to a claimant under the jurisdiction of WSI is reimbursed according to the rates assigned in the Anesthesia Fee Schedule. Providers may access the complete Anesthesia Fee Schedule and other resources referenced within this document by visiting the Medical Provider section of the WSI website: www.workforcesafety.com.

### Status Indicators

WSI assigns one of the following payment status indicators to each HCPCS code within the Anesthesia Fee Schedule:

| Indicator | Description | Pricing Methodology |
|---|---|---|
| A | Active Code | Service is payable under the applicable WSI Fee Schedule. |
| B | Packaged Code | Service is not separately payable. Payment is packaged into the payment for another service. |
| C | Custom Priced Code | Service is payable using usual and customary or WSI-negotiated rates. |
| D | Discontinued Code | Service is not payable. Code was discontinued effective beginning of the calendar year. |
| P | Excluded Code | Service is not payable under the WSI Fee Schedule. |

### Calculation of the Reimbursement Rate

For HCPCS codes assigned a status code (A), WSI applies the following formula to determine the maximum allowable reimbursement rate:

| Base Relative Value Unit (RVU) | + | Time Units | + | Physical Status Modifier | X | Conversion Factor | = | Maximum Allowable Reimbursement Rate |
|---|---|---|---|---|---|---|---|---|

For 2017, the Conversion Factor is $58.17

The Base Relative Value Unit (RVU) is the value assigned by The American Society of Anesthesiologists.

### Annual Updates

WSI updates the Anesthesia Conversion Factor by the same percentage as the WSI Medical Provider Conversion Factor.

### Limitations of the Anesthesia Fee Schedule

The payment rates listed on the Anesthesia Fee Schedule indicate the maximum allowable payment for approved services only. The fact that a procedure or service is assigned a HCPCS code and a payment rate does not imply coverage by WSI, but indicates the maximum allowable payment for approved services. The final payment rate may be impacted by the payment parameters and billing requirements enforced by WSI. Providers are encouraged to carefully review WSI's Payment Parameters, Billing Requirements, and Reimbursement Procedures to avoid unneccesary delays and denials of payment.

## North Dakota Workforce Safety & Insurance

# Anesthesia Payment Parameters

Anesthesia Payment Parameters outlines the rules for payment adopted by WSI. While WSI has adopted many of Medicare's rules for payment, WSI has developed a set of unique rules that are applied to the final payment of approved services. The complete payment parameters enforced by WSI are as follows:

**Authorization**- Authorization for anesthesia services falls under the authorization of the surgical procedure. A separate authorization is not required; however, anesthesia that is provided for a surgical procedure which requires authorization will be denied when the authorization is denied or is not obtained for the surgical procedure. Anesthesia providers may contact the Utilization Review department for verification of authorization at 888-777-5871.

**"Lesser of" Payments**- The rates presented on the Anesthesia Fee Schedule represent the maximum WSI pays for the services provided; WSI pays the "lesser of" the billed charge or the Fee Schedule amount.

**Modifiers**- WSI requires providers use the following anesthesia modifiers as appropriate:

| | |
|---|---|
| AA | MDA personally performs a case |
| AD | MDA medically supervises more than four (4) concurrent anesthesia procedures |
| QY | MDA medically directs one CRNA |
| QK | MDA medically directs 2 – 4 CRNAs |
| QX | CRNA performs case with medical direction |
| QZ | CRNA performs case without medical direction |

**Physical Status Modifiers**- For medically directed cases performed by a CRNA or MDA WSI allows additional payment on the following physical status modifiers as follows:

| | |
|---|---|
| P1 | No additional units are paid |
| P2 | No additional units are paid |
| P3 | One (1) additional unit is paid |
| P4 | Two (2) additional units are paid |
| P5 | Three (3) additional units are paid |
| P6 | No additional units are paid |

**NCCI Edits**- WSI incorporates all applicable NCCI edits.

**Non-Anesthesia Services**- WSI pays for non-anesthesia services, such as insertion of catheters, placement of central venous and arterial lines, intubations, pain management services, etc. under the WSI Medical Provider Fee Schedule.

**Per-Case Payments**- WSI pays for professional anesthesia services under a per case basis using the following payment parameters:

- When a MDA or CRNA personally performs a case, WSI issues payment at 100% of the per-case rate.
- When a CRNA performs a case under the direction of the MDA, WSI issues payment to each provider at 50% of the per-case rate.

**Qualifying Circumstances**- A provider may be required to perform anesthesia services under particularly difficult circumstances, depending on factors such as extraordinary condition of patient, notable operative conditions, and/or unusual risk factors. These procedures are not reported alone, but are reported as additional procedure numbers qualifying an anesthesia procedure or service. When a provider bills using the qualifying circumstance add-on codes, WSI allows payment in addition to the primary procedure as follows:

| | |
|---|---|
| 99100 | One (1) additional unit is paid |
| 99116 | Five (5) additional units are paid |
| 99135 | Five (5) additional units are paid |
| 99140 | Two (2) additional units are paid |

## North Dakota Workforce Safety & Insurance

# Anesthesia Billing Requirements

Anesthesia Billing Requirements outlines the rules for billing adopted by WSI. WSI returns or denies inappropriately submitted bills. WSI notifies providers of inappropriately submitted bills via a return letter or remittance advice. Providers must correct any returned bills prior to resubmission.

**Bill Forms**- Providers must submit medical bills for Anesthesia services on a standard CMS 1500 form or via EDI.

**Bill Form Submission**- WSI offers the following options for bill submission:

**Electronic Billing-** A provider may submit medical charges via EDI through one of WSI's clearinghouses:

- **iHCFA:** This option allows a provider to submit professional (CMS-1500/837p) charges along with supporting medical documentation. Contact iHCFA EDI Support Services at 973-795-1641 (option 2) for additional information.
- **Noridian:** This option allows a provider to submit professional (CMS-1500/837p) and institutional (UB-04/837i) charges without medical documentation attachment through Noridian. A provider must mail all supporting medical documentation to WSI at the address provided below or fax it to 701-328-3793. Contact Noridian EDI Support Services at 800-967-7902 for additional information.

**Paper Billing**- Providers may submit bills in red and white paper format with supporting medical documentation to WSI at the following address:

Workforce Safety & Insurance
PO Box 5585
Bismarck, ND 58506

**Coding**- Providers are required to bill using only current and appropriate CPT codes for Anesthesia services.

**Medical Direction Criteria**- WSI requires a MDA filing a bill for the medical direction of a CRNA to meet the following Medical Direction criteria, as required by Medicare:

- Perform a pre-anesthetic examination and evaluation;
- Prescribe the anesthesia plan;
- Personally participate in the most demanding procedures in the anesthesia plan, including, if applicable, induction and emergence;
- Ensure that any procedures in the anesthesia plan that he or she does not perform are performed by a qualified anesthetist;
- Monitor the course of anesthesia administration at frequent intervals;
- Remain physically present and available for immediate diagnosis and treatment of emergencies; and
- Provide indicated post-anesthesia care

**Medical Documentation**- A provider must submit medical documentation to support all billed charges. WSI's Documentation Policies are available for detailed information on documentation requirements.

**Medical Necessity**- Providers are required to bill using the same medical necessity guidelines as they use for Medicare.

**Modifiers**- WSI's policy on the use of anesthesia modifiers is as follows:

- **Payment Modifiers**- WSI requires the use of a payment modifier (AA, AD, QK, QX, QY, or QZ) and returns bills submitted without it. These modifiers must be in the first modifier position on the bill.
- **Physical Status Modifiers**- When appropriate, providers may submit a physical status modifier (P1, P2, P3, P4, P5, or P6). These modifiers must be in the second modifier position on the bill.

**National Provider Identification (NPI)**- WSI requires entities who are eligible for NPI to be registered with National Plan & Provider Enumeration System. When applicable, WSI requires providers to include the NPI at both the rendering provider and billing provider levels.

**Non-Anesthesia Services**- For non-anesthesia services, such as insertion of catheters, placement of central venous and arterial lines, intubations, pain management services, etc., a provider should bill these procedures with a unit of one and no anesthesia payment or patient status modifiers.

**Timely Filing-** Providers must submit bills to WSI within 365 days of the date of service.

**Units-** Providers must bill the actual number of anesthesia minutes as the number of units on the CMS 1500. WSI calculates the number of time units used in the calculation of the maximum allowable reimbursement rate based on the number of billed minutes.

**Unusual Circumstances-** Under the unusual circumstances in which it is medically necessary for both the CRNA and the anesthesiologist to be completely and fully involved during a procedure, a provider should bill the charges with an "AA" modifier for the physician charges and a "QZ" modifier for the CRNA charges. In such circumstances, the provider must submit adequate documentation to support payment of the full fee for both providers.

## North Dakota Workforce Safety & Insurance

# Anesthesia Reimbursement Procedures

Anesthesia Reimbursement Procedures outlines how WSI communicates bill processing information and issues payment to medical providers. In addition, it outlines the WSI's requirements for reimbursement. Providers are encouraged to familiarize themselves with WSI's Reimbursement Procedures to reduce repetition of bill processing information and delays in payment.

**Provider Registration**- Prior to reimbursement for treatment, providers are required to register with WSI. To register, complete the Payee Registration and Substitute W-9 form.

**Payment Address**- The remittance address submitted on the provider registration form must match the address submitted on the CMS-1500 box 33 or UB 04 box 2. In the event the address submitted on a bill does not match the registered address, WSI will return the bill.

**Remittance Advice-** WSI issues remittance advices for processed medical bills each week on Friday. Providers must refer to the remittance advice for bill status information. Information contained on the remittance advice includes patient name, date of service, procedure billed, submitted amount, and paid amount. The remittance advice also includes reason codes, which explain any reductions or denials of payment for a service. Providers in need of a duplicate remittance advice can request these by contacting our customer service department at 1-800-777-5033.

**Reason Codes-** Certain reason codes allow the provider to bill the patient for the denied charges, or for the balance of reduced charges. The remittance advice reason codes identify the cause for the determination and specifically state that the provider may bill the patient. When these reason codes occur, WSI also sends a "Notice of Non-Payment" letter to the patient informing them of their responsibility for the charges.

**In accordance with North Dakota Administrative Code 92-01-02-45.1, if a reason code does not state that a provider may bill the patient, the provider cannot bill the charges for reduced or denied services to the patient, the employer, or another insurer.**

**Bill Status Inquiries**- WSI will not process requests for bill status inquiries of large volume or repetitive requests for the status of processed medical bills. In addition, WSI requests that the provider allow two (2) months from the date of bill submission before inquiring on bill status. This allows adequate time for WSI to process the bill and for the provider to receive the remittance advice.

**Overpayments-** When an overpayment occurs on a medical bill, WSI will notify the provider of the overpayment in a letter. WSI allows 30 days from the date of the letter for the provider to issue the requested refund. If a provider does not issue the refund within 30 days of the date of the letter, WSI will begin withholding the overpayment from future payments.

**Medical Services Disputes-** North Dakota Administrative Code 92-01-02-46 provides the procedures followed for managed care disputes. Providers who wish to dispute a denial or reduction of a service charge must file the Medical Bill Appeal (M6) form along with supporting documentation within 30 days after the date of the remittance advice. WSI will not address a provider dispute submitted without the M6 form.


1600 E Century Ave, Suite 1
PO Box 5585
Bismarck, ND 58506-5585
701-328-3800
800-777-5033
Fax: 701-328-3820

www.workforcesafety.com

WSI's UR Department
701-328-5990
1-888-777-5871
Fax: 701-328-3820